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1. TURKS ANNOUNCE MANEUVERS

05V4A	25X1A
25X1A	Comment on:
	The Turkish General Staff has con-
	firmed a press report that Turkey
	will hold joint forces maneuvers, in-
	cluding the simulated use of atomic
	weapons, in southeastern Turkey dur-
	ing November. Military units currently on the Syrian
	border will participate in exercises expected to begin
	about 15 November and to last about ten days, according
	to the American army attaché in Ankara.

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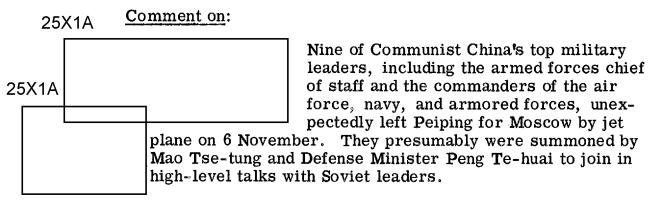
2. MAO TSE-TUNG ENDORSES KHRUSHCHEV'S MAJOR DOMESTIC POLICIES

25X1A	Comment on:	
		Speaking to the anniversary session of the Supreme Soviet in Moscow, Mao Tse- tung made an unusual endorsement of domestic Soviet policies, thereby back- ing Khrushchev on issues which may still
25)	as ''wise steps gate additiona development p	ial among the top Soviet leaders. He described s'' Khrushchev's plans to decentralize and delelepowers to regional republics, the agricultural program, "struggles" against antiparty groups, ovement of political indoctrination in the army!

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3. RANKING CHINESE COMMUNIST MILITARY LEADERS FLY TO MOSCOW



The talks could result in closer Sino-Soviet cooperation in the military field. Mao's anniversary speech in Moscow on 6 November in which he gave full support to Khrushchev's major domestic policies has set the stage for new Chinese requests for more aid.

Two Chinese delegations, already in
Moscow, are pressing for a Sino-Soviet agreement on sci-
entific cooperation. Marshal Yeh Chien-ying, deputy leader
of the military group which just left Peiping, has declared
that Soviet missile successes are "priceless assets of all
the countries of the socialist camp."

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4. THE INTERNATIONAL RED CROSS CONFERENCE IN NEW DELHI

25X1A Comment on:	
	The seating on 7 November of a Chinese Nationalist delegation at the International Red Cross Conference in New Delhi climaxed a bitter struggle over the representation issue which has split the conference since its opening on 28 October. The Chinese Communist delegation immediately left the conference and was joined by the

Indian presiding officer. Following defeat of a Soviet resolution that the conference be dissolved, 16 other delegations including the Soviet bloc, Yugoslavia, Syria, Egypt, and Indonesia also walked out.

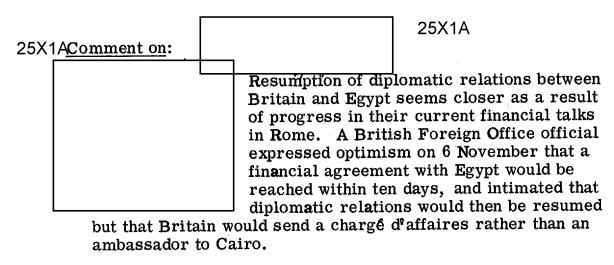
While the Nationalists avoided a defeat which might have been interpreted as sentiment in favor of Chinese Communist admission to the UN, it is doubtful that the final vote reflected the real sentiment of the conference, and the resulting split has perhaps damaged the universality of the Red Cross. US delegate McClintock notes that US threats to walk out if the Nationalists were not seated were greeted with "incredulity tinging on resentment." Friendly countries had hoped to avoid such a showdown.

The Si	no-Soviet walkout suggests that the			
Chinese representation is	sue will be even harder fought in			
future international conferences. The Peiping government				
has again made it clear th	nat it will not accept a "two Chinas"			
solution to this problem.	25X1A			

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5. PROGRESS IN ANGLO-EGYPTIAN FINANCIAL TALKS FORE-SHADOWS RESUMPTION OF DIPLOMATIC RELATIONS



The Egyptians have shown a willingness to compromise since the negotiations resumed on 4 November. Tacit agreement to drop Egyptian claims for war damages and British claims for seized military stores appears to have been reached already.

Nasir is said to have instructed the Egyptian delegation to seek agreement in principle in a way which would "save face" for London, leaving the details to be worked out later. British officials have long asserted that Egypt is under pressure to come to terms because of its need for the sterling balances totaling approximately \$307,000,000 which Britain is blocking.

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6. SITUATION IN LAOS

the cabinet must accept it.

25X1A	Comment on:
	The American ambassador in Vientiane doubts that Laotian Crown Prince Savang can withstand pressure to recall the National Assembly within the next few days for an extraordinary session to install a coalition government including the Pathet Lao. It seems probable that the assembly will give its approval unless there is some miscalculation on the part of the Pathet Lao or Prime Minister Souvanna Phouma. The most influential conservative lead-
	er, Interior Minister Katay, now takes the position that since

Savang ostensibly remains adamant in his opposition to the settlement along its present lines and is predicting that Souvanna will be overthrown by the assembly before the settlement is finalized. His basic premise, however, is apparently the conviction that the United States will discontinue aid to Laos, which he assumes would make it impossible to pay the army and police and would lead to a revolt against the government.

the assembly has approved the settlement with the Pathet Lao,

7. SECURITY SITUATION IN SOUTH VIETNAM

25X1A Comment on:		
	South Vietnamese security officials have informed the American embassy in Saigon they do not believe the danger of anti-American terrorism has passed	
sonnel. They rec designed for the le accordance with the Americans moving	ommend, however, that security measures ong term replace the temporary alert. In hese recommendations, restrictions on g about Saigon have been lifted, but travel provinces is to be approved in advance by nerican official.	
Vietnam, especia incidents have been elements of dission nist military cadr months ago and continuous Diem government directed to launch	Sporadic assassinations of local Vietnam- other acts of terrorism continue in South lly along the Cambodian frontier. These en attributed by investigating officials to dent religious sects as well as to Commu- es. The wave of terrorism began several oincides with information obtained by the that the Communist underground has been a a terrorist campaign including the assassi- ese and American officials.	25X1A

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8. SITUATION IN THAILAND ASSESSED

25X1A	Reference:
	The American embassy in Bangkok
	believes that the military group
	headed by Marshal Sarit which dom-
L	inates the Thai government is, on the
	whole, in favor of Thailand's continued alignment with the
	free world. The embassy cautions, however, that the pol-
	icies of the coup group appear to be influenced less by
	ideological considerations than by personality and power
	struggles stemming from individual efforts to obtain con-
	trol of lucrative government and private business opera-
	tions. It points out, moreover, that there are "fairly per-

override Sarit on important policy matters.

All evidence available to the embassy points to continued collaboration between Marshal Sarit and the royalists and to the King's increased interest in political developments since the ouster of Premier Phibun. Sarit's ties with the royalists may be causing some concern to his military associates.

sistent indications" that some of the leading members of the coup group, including Defense Minister Thanom and Interior Minister Prapat, are powerful enough together to

The embassy believes it unlikely that Phibun could, or would, return to the premiership by reaching a compromise with Sarit, since the King and the royalists would undoubtedly resist such a step. Phibun's political and administrative abilities are highly regarded by many in the military group, however, and there is a possibility that at some future date he may be able to re-enter politics as the only man capable of managing the government.

9. LABOR UNREST IN PERU MIGHT CAUSE MILITARY TAKE-OVER

cerned over the wave of strikes by labor organizations linked with the Communist party and with the leftist but non-Communist APRA party. Peruvian military leaders have stated that a military take-over of the government would be justified if the civilian government were unable to control labor unrest.
Increasing food and fuel shortages are beginning to be felt in the central mountain region as a result of the Central Railway strike which began on 24 October. A federation including virtually all organized office and retail trade employees in the Lima-Callao area has announced it will strike in sympathy with railway workers if the railway strike is still unsettled by 11 November. The Communist-led national federation of construction workers engaged in a 24-hour strike on 6 November protesting the government's recent repressive action against strikers at the Toquepala copper development in southern Peru.
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Peruvian authorities are seriously con-

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25X1A Comment on:

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ANNEX

Watch Report 379, 7 November 1957 of the Intelligence Advisory Committee

Conclusions on Indications of Hostilities

On the basis of findings by its Watch Committee, the Intelligence Advisory Committee concludes that:

- A. No Sino-Soviet bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.
- B. No Sino-Soviet bloc country intends to initiate hostilities against US forces abroad, US allies or areas peripheral to the orbit in the immediate future.
- C. Unstable conditions and tensions stemming from developments concerning Syria continue to create possibilities for conflict in the Middle East. Although major Turkish forces continue to be deployed near the Syrian border and there has been some augmentation of small Syrian forces in northern Syria, we have no evidence that Turkey has reached a decision to launch an attack.

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